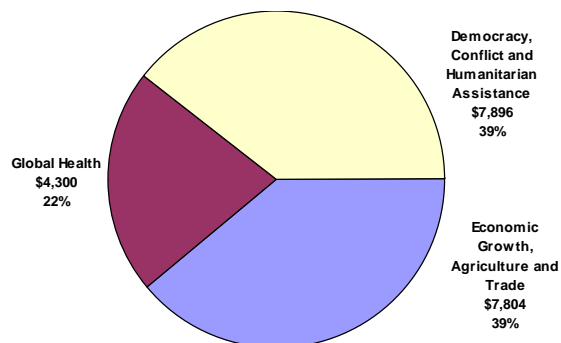
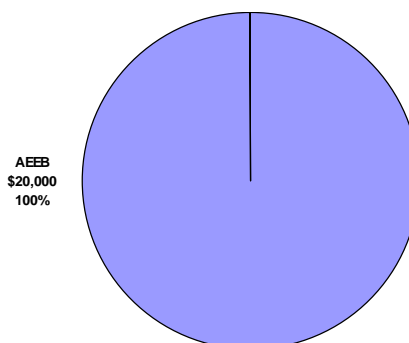


Romania

FY 2006 Assistance by Sector



FY 2006 Assistance by Account



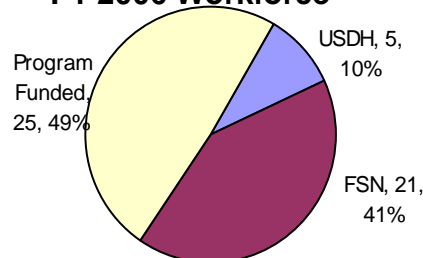
Objectives and Budget

Objective	SO Number	FY 2004	FY 2005	FY 2006
Expanding the Market-Driven Private Sector	186-0130	10,170	9,950	7,137
Improved Local Democratic Governance	186-0230	7,255	7,550	6,000
Child Welfare and Women's Health Care Reform	186-0340	5,635	6,050	4,300
Transfers		4,775	3,450	2,563
Total (in thousands of dollars)		27,835	27,000	20,000

Administrative Expenses and Workforce

Administrative Expenses	FY 2004	FY 2005	FY 2006
Mission Allocation	1,800	1,650	1,705
USDH Salaries & Benefits	551	508	519
Program Funds	2,118	2,118	2,118
Total (in thousands of dollars)	4,469	4,276	4,342

FY 2006 Workforce



Mission Director: Roger Garner

The Development Challenge: Economically Romania lags behind most of its neighbors in Europe that have graduated from AEEB assistance. The European Union (EU) granted Romania “functioning market economy” status with some reluctance and included several serious caveats in its 2004 report. However, significant economic growth in the past year of eight percent and the notable privatizations that have been completed, such as the huge state oil company Petrom, and two large electricity generating companies, are signs that the Romanian economy is heading in the right direction at an increased pace. Romania has concluded negotiations to join the EU, and it is committed to meeting the requirements for joining in 2007. Still, the EU is monitoring Romania closely. By 2007 Romania will need to significantly de-bureaucratize the business environment and considerably lower corruption to enable increased foreign investment, and raise the competitiveness of Romanian products. USAID plans to stay fully engaged in assisting Romania through the EU accession in 2007.

The democratic transition has stalled since 1997 and there had been backsliding in several areas during 2004. The freedom and independence of the press declined as the party and government then in power continued its practice of directing advertising revenues to docile media outlets, and pressuring foreign owners of local newspapers to reduce critical coverage of the ruling party, the government, and its leadership. The government failed to investigate effectively a series of physical attacks on journalists. The virtual domination of the media by the ruling party, and the use of state funds for the political campaign by the ruling coalition had reduced the likelihood of free and fair elections.

However, the change in government in 2004, first after the local elections in June, and then after the national elections in November and December, surprised most political pundits and many in the Romanian electorate. The election of a political alliance running on a strong platform, and of a President from the democratic opposition were the most concrete signs in several years that the democratic transition is taking place and a pro-democracy electorate is prepared to turn out and to exercise its power.

The Government of Romania (GOR) passed judicial reforms at a rapid pace in order to close the EU chapter on judicial reform. However, the rapid pace has caused substantial confusion in the courts and created an atmosphere of subjective interpretation and implementation. Moreover, there were disturbing signs of politicization of the judiciary, as indicated by selective prosecutions of politically connected figures. Civic groups who have raised concerns and issues have either been ignored, or worse, threatened.

The provision of social services continues to be plagued with endemic corruption with health care particularly affected by pervasive corruption. There is much that the U.S. can do to help Romania develop better policies to reform the social sector, provided that the GOR is genuinely committed to fundamental reform, which has not been the case in past years. Reforms include the expansion of reproductive health services, increased resources for preventive health care, and improved efficiency and quality of hospital services.

The USAID Program: USAID Romania’s bilateral program will receive its final installment of funding in 2007. The USAID portfolio has three groups of activities to facilitate the economic, democratic, and social transitions in Romania.

Improving the troubled business climate, by reducing red tape and corruption, is essential to making Romania more competitive. Strengthening small businesses is an important goal of USAID’s assistance. Business associations, chambers of commerce, and government agencies are being helped to improve their services for small businesses. Micro-lending services are being provided in 23 of 41 counties. New financial instruments are being developed to provide long-term capital and to encourage new companies to list shares, issue bonds, and trade debt instruments. In agriculture, U.S.- funded programs help the privatization of state-owned irrigation systems, reform subsidies, improve food sanitation standards, and draft legislation for a market information system that will make Romanian agriculture more competitive. As water becomes an increasingly scarce resource, USAID also helps the National Water Authority to improve water management, enabling Romania to move closer to the EU’s requirements.

As investment, both local and foreign, accelerates, USAID - funded training in the oversight of the financial markets will become even more critical. Anti-money-laundering and other fraud-detecting measures at the National Securities Commission, Anti-Corruption Prosecutor’s Office, and the National Bank of Romania are

being improved. SEED funded training is helping the staff of the National Securities Commission and the National Bank of Romania to increase their supervisory capacity.

USAID programs assist local governments to improve the delivery of services, strengthen financial management, increase their responsiveness to constituents' needs, and open decisions to citizen participation. The program is helping civil society organizations to monitor and improve local government performance, and increase participation in local politics. To further decentralization, advisors continue to recommend changes in legislation governing local governments. The democracy programs also promote the rights of ethnic minorities, and press for expanded opportunities for Romanian youth through active civic involvement.

USAID programs improve child welfare, family and reproductive health, and infectious disease services. Their objectives include improving legislation and the quality of services; developing professional associations in child welfare and reproductive health; and educating the public and policy makers. The programs increase community child welfare services provided by non-governmental organizations (NGOs), in partnership with local governments. This growth of community services has facilitated the closure of hundreds of state-run "homes" for children. USAID assistance is contributing to increased access to and quality of family planning services, pre- and post-natal care, and prevention of sexually transmitted infections, including HIV/AIDS. USAID funded activities increase the early detection of breast and cervical cancer, and help fight domestic violence.

Other Program Elements: USAID/Romania's portfolio is supplemented by several AID/W and AID/regional projects. Some of these activities contribute directly to Mission strategic objectives, while some are special initiatives. They include: Agro-industry Competitiveness; DCA Mortgage Finance; Southeast Europe and Regional Electricity Market; Regional Energy Efficiency; Regional Mortgage Market Development; Balkan Infrastructure Development Facility; Trans-Balkan Romania Fund; Small and Medium Enterprise Financial Facility; Corruption Assessment of Romania; Fiscal Decentralization Initiative; Local Government Information Network; Tuberculosis Control; RiskNet HIV/AIDS Program; Rational Pharmaceuticals Management; Radiology Training for Early Detection of Breast Cancer; Drug Information Center; Global Fund for HIV/AIDS, Malaria and Tuberculosis.

Other Donors: Coordination of USAID assistance with that provided by other donors is an important element of the program. USAID assistance covers niches and issues not addressed by the other donors. It also provides technical assistance to help Romania use significant assistance funds provided by the multilateral donors. USAID works closely with the EU, the United Nation agencies, the multilateral banks, and other donors to ensure coordination and avoid duplication. The EU is the main donor, with its funding set to rise to approximately US\$1 billion annually by 2006. In its current Country Strategy for Romania, the World Bank programmed up to \$995 million for FY 2002 - FY 2004.

Romania PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2003 Actual	FY 2004 Actual	FY 2005 Current	FY 2006 Request
Asst. for E. Europe and the Baltic States	30,497	27,835	27,000	20,000
Total Program Funds	30,497	27,835	27,000	20,000

STRATEGIC OBJECTIVE SUMMARY				
186-0130 Expanding the Market-Driven Private Sector				
AEEB	11,900	10,170	9,950	7,137
186-0230 Improved Local Democratic Governance				
AEEB	7,800	7,255	7,550	6,000
186-0340 Child Welfare and Women's Health Care Reform				
AEEB	7,697	5,635	6,050	4,300
TRANSFER				
AEEB	3,100	4,775	3,450	2,563

Mission Director,
Rodger Garner

Data Sheet

USAID Mission:	Romania
Program Title:	Expanding the Market-Driven Private Sector
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	186-0130
Status:	Continuing
Planned FY 2005 Obligation:	\$9,950,000 AEEB
Prior Year Unobligated:	\$597,000 AEEB
Proposed FY 2006 Obligation:	\$7,137,000 AEEB
Year of Initial Obligation:	2002
Estimated Year of Final Obligation:	2007

Summary: USAID's economic growth programs work with financial and capital markets, small and medium enterprises, agriculture and agribusinesses, energy utilities, and water infrastructure. In each of these areas, USAID improves policies and regulations, encourages business competitiveness, increases exports, and promotes the transfer of remaining state assets to private ownership.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Economic Policy and Governance (\$3,050,000 AEEB, \$100,000 AEEB carryover). USAID will continue to support the development of mortgage-backed securities and mortgage bonds, the development of a private pension system, and improved corporate governance for publicly held companies. USAID will assist business associations, chambers of commerce, and government agencies to improve their services for small businesses, and to increase the dialogue between them. USAID will help improve commercial conflict resolution, and the business registration and licensing processes. The highly restrictive Labor Code will be improved, and steps will be taken to simplify the tax code. Anti-money laundering and other fraud-detecting measures at the National Securities Commission and the National Bank of Romania will be improved. In agriculture, technical assistance will support subsidy elimination, improve food sanitation standards, and promote the use of genetically modified seeds to improve productivity.

In cooperation with the Ministry of Communications and Information Technology and the U.S. Embassy, USAID will help the Ministry to create a Computer Emergency Response Team to improve internet security. USAID will complete its work in developing innovative e-government and e-business projects that reduce bureaucracy for local businesses and expand access to communication services in poor rural regions. In the energy industry, USAID's advisors will provide assistance to complete the transition to more liberalized electrical and gas markets, and promote energy efficiency. Appropriate regulations, needed for monitoring energy markets when a new electronic trading marketplace is established, will be drafted.

Increase Private Sector Growth (\$5,800,000 AEEB, \$197,000 AEEB carryover). USAID advisors will work with local private companies and business support organizations in selected industries to improve their competitiveness and exports. USAID will continue to develop the financial markets by introducing new financial instruments such as corporate bonds, initial public offerings, and trade debt instruments. Additional loan capital for micro-lending will be leveraged from the Overseas Private Investment Corporation, the Government of Romania (GOR), and the World Bank and commercial banks. Access to capital for small and medium enterprises will increase through innovative programs such as leveraging remittance funding and promoting leasing through a Development Credit Authority (DCA) guarantee program. Support will be provided to the Agency for Foreign Investment (ARIS), the Export Council, and other relevant government agencies that promote investment into Romania. In the energy sector, USAID's technical assistance will continue to support the privatization of the country's largest thermal power plant. In agriculture, USAID will work with farmers, agribusinesses, and processor associations to improve quality of products, increase access

to financing, reduce operational costs, and expand into new markets. USAID's programs will also facilitate financing options for rural enterprises.

DCA (\$300,000 AEEB carryover). USAID will transfer \$300,000 to the DCA for a guarantee program to promote energy efficiency. The program will improve access of municipalities to external sources of financing for municipal infrastructure improvements such as water supply, wastewater and solid waste treatment, rehabilitation of district heating and cogeneration systems, multi-family residential energy efficiency programs, street lighting, and providing schools and hospitals with energy saving equipment.

Improve Sustainable Management of Natural Resources (\$1,100,000 AEEB). USAID will continue to leverage funds from the European Union (EU), International Financing Institutions and private investors for environmental projects. Technical assistance will help four industries and two local water utilities to increase their competitiveness and profitability while complying with environmental regulations.

Partners: Communities, Habitat, Finance (CHF); Deloitte Touche Tomatsu Emerging Markets; Chemonics International; Academy for Educational Development, InterNews, PA Consulting, the U.S. Departments of Agriculture and of the Treasury (primes).

FY 2006 Program: Improve Economic Policy and Governance (\$2,500,000 AEEB). USAID will continue to improve the local business environment by supporting key legislative and policy reforms. Assistance programs will also continue to improve local business associations' ability to provide value added services and advocate for a better business environment on behalf of their members. USAID's support will continue for reform of the pension system, and establishment of a regulatory agency. In agriculture, technical assistance will be provided to governmental agencies and agribusiness associations to improve food safety standards to meet EU requirements and to regulate genetically modified crops. In the energy sector, USAID's assistance will simplify licensing procedures, and promote energy efficiency and a new tariff system.

Increase Private Sector Growth (\$4,137,000 AEEB). USAID will continue to expand market access and improve productivity of small and medium businesses in selected industries. Business support organizations will be strengthened in order to provide business development services to their members. USAID's programs will continue to develop the capital markets, and broaden financing opportunities for private business. Access to capital for small and medium enterprises will increase through innovative programs. USAID will work with agricultural producers and processor associations to increase their productivity, expand access to financing, and expand their markets. The programs will continue to support efficient use of energy as a tool to improve competitiveness and reduce the impact of higher energy costs on poor people.

Improve Sustainable Management of Natural Resources (\$500,000 AEEB). USAID will continue to leverage critical investment from the EU, international financing institutions and private investors for environmental projects.

Partners: Communities, Habitat, Finance (CHF); Deloitte Touche Tomatsu Emerging Markets; Chemonics International; Academy for Educational Development, U. S. Department of Agriculture (primes).

Performance and Results: USAID assistance during the year contributed to \$4.3 million in small business loans, of which \$2.6 million was leveraged from the World Bank and the GOR. USAID also leveraged \$32 million for information technology improvements, and the project on mortgage legislation quadrupled the value of the market that is currently valued at \$928 million. USAID advisors carried out a feasibility study that the GOR will use to justify a \$136 million investment to improve management of water resources. State-owned irrigation equipment was transferred to 174 water users' associations, bringing more than 560,000 hectares under improved private management. USAID leveraged \$80 million from the World Bank to improve irrigation equipment, and \$3.5 million for rural credit from the EU's Pre-Accession Fund. A new fiscal code was adopted that will save enterprises over \$10 million per year, and the time to register a new business dropped from 40 to 28 days. Two electrical distribution and two gas distribution companies were privatized, and a new commercial code for the electricity sector was adopted.

US Financing in Thousands of Dollars

Romania

186-0130 Expanding the Market-Driven Private Sector	AEEB	DA	DCA	ESF
Through September 30, 2003				
Obligations	129,799	3,281	217	1,295
Expenditures	115,675	3,281	0	1,295
Unliquidated	14,124	0	217	0
Fiscal Year 2004				
Obligations	10,742	0	0	0
Expenditures	12,727	0	0	0
Through September 30, 2004				
Obligations	140,541	3,281	217	1,295
Expenditures	128,402	3,281	0	1,295
Unliquidated	12,139	0	217	0
Prior Year Unobligated Funds				
Obligations	597	0	0	0
Planned Fiscal Year 2005 NOA				
Obligations	9,950	0	0	0
Total Planned Fiscal Year 2005				
Obligations	10,547	0	0	0
Proposed Fiscal Year 2006 NOA				
Obligations	7,137	0	0	0
Future Obligations	0	0	0	0
Est. Total Cost	158,225	3,281	217	1,295

Data Sheet

USAID Mission:	Romania
Program Title:	Improved Local Democratic Governance
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	186-0230
Status:	Continuing
Planned FY 2005 Obligation:	\$7,550,000 AEEB
Prior Year Unobligated:	\$1,590,000 AEEB
Proposed FY 2006 Obligation:	\$6,000,000 AEEB
Year of Initial Obligation:	2002
Estimated Year of Final Obligation:	2007

Summary: USAID's democracy program is improving local democratic governance, increasing accountability of local politicians, building a stronger civil society, and creating a more independent, transparent and efficient judiciary.

Inputs, Outputs, Activities:

FY 2005 Program: Support Democratic Local Government and Decentralization (\$2,700,000 AEEB, \$533,000 AEEB carryover, \$807,000 AEEB prior year recoveries). USAID will provide technical assistance to six major municipalities in order to streamline the relationships between local governments and citizens, enhance transparency, reduce bureaucracy, and make city management more effective. The program will continue to provide technical and financial support to local government associations and about 10 NGOs to continue promoting local governance reforms, especially those reforms with nationwide impact. Partners: Development Alternatives Incorporated; ARD (primes), Academy for Educational Development and many local NGOs and professional associations (subs).

Strengthen Civil Society (\$2,750,000 AEEB, \$132,000 AEEB carryover). USAID will assist 15 NGOs advocate for reform and monitor elected officials. USAID will identify NGOs that are able to conduct election-related activities by providing them with grants, guidance on organizing community dialogues, and assistance for monitoring elections and mobilizing the electorate to get out and make an informed vote. Post election assistance will support the dialogue between NGOs and local party branches on community issues. The program will help build the capacity of NGOs to be civic watchdogs in their communities, especially through monitoring the campaign pledges of candidates, influencing local government and educating citizens on issues of interest to their communities. Assistance will also support long-term advocacy campaigns to reform local governance. USAID will start a new project to help civic groups become sustainable after SEED assistance ends. Partners: National Democratic Institute for International Affairs, International Republican Institute (primes).

Support Democratic Political Parties (\$1,500,000 AEEB, \$118,000 AEEB carryover). Political party assistance will focus on the pre- and post-election period of parliamentary and presidential elections. USAID will assist local party branches to communicate with citizens and civil society, and advocate in Bucharest for national policy reforms. Activities will build the skills of political candidates to participate in public, issue-based discussions with local constituents. USAID will also help newly elected politicians to reach out to citizens in their work. Technical assistance will help political parties reach out to young voters and help the parties develop messages for them. With the conclusion of the 2004 elections, technical advisors will help parties stay connected to their constituencies, communicate and work with civic groups, and uphold their campaign promises. USAID will also fund an assessment of the electoral code and recommend electoral reforms. Partners: National Democratic Institute for International Affairs, International Republican Institute (primes).

Improve Justice Sector and Legal Reform (\$600,000 AEEB). USAID will train 75 judges and 250 clerks on judicial ethics. The project will complete USAID's direct involvement in the ethics training and hand over the course curricula, modules, and reference materials to the National Institute of Magistrates and to the Training Center for Clerks, for use in their professional development programs. The program will continue to work with the Superior Council of Magistrates on the reform of judicial legislation, and with the GOR and NGOs to

improve legislation on women's rights and ensure its implementation. Partner: American Bar Association/Central European and Eurasian Law Initiative (prime).

FY 2006 Program: Support Democratic Local Government and Decentralization (\$1,500,000 AEED). USAID will continue the program to improve the legislation concerning public administration and create a critical mass of local governments and related organizations engaged in "best practices" for municipal services. The program will provide technical assistance to municipalities, followed by the replication of successful models through the local government associations. USAID plans to support the creation of citizen advisory boards in the same municipalities, enabling effective participation of constituents in decisions. Contractors/grantees: Same as in FY 2005 plus TBD.

Strengthen Civil Society (\$2,500,000 AEED). USAID will continue technical assistance and training to Romanian NGOs and help them to become more sustainable and less dependent on donor funding. NGOs will be trained in strategic planning, fund-raising, outreach, advocacy, and building domestic support for their initiatives. USAID will help NGOs to improve legislation concerning civil society and to advocate for legislative reforms that will affect key democratic processes or major local governance reforms. Grantees: Same as FY 2005 plus TBD.

Support Democratic Political Parties (\$1,500,000 AEED). USAID will continue to work with local branches of national parties to make them more responsive to their local constituencies. The program will assist with the implementation of reforms of the electoral code and encourage parties to support changes to the closed party list system in local and national elections. USAID's FY 2005 partners will continue to provide training and monitor the performance of elected officials.

Improve Justice Sector and Legal Reform (\$500,000 AEED). USAID will continue to work with the Supreme Council of Magistrates on implementation of judicial reforms, and partner with the U.S. Department of Justice to provide training for NGOs, prosecutors, judges, and local police about the role and responsibilities of multidisciplinary teams in domestic violence cases, and developing public-private partnerships to better handle domestic violence cases. Same grantees as FY 2005.

Performance and Results: U.S.-assisted NGOs successfully lobbied for local government reforms that address citizen concerns. These reforms included new legislation regarding social services provided by local authorities and legislation on decentralization. USAID helped design the strategy for public administration reform which the GOR approved in May 2004. Through models created by U.S.-Romanian partnerships, NGOs became more active in promoting civic activism, philanthropy, and volunteerism, as well as the inclusion of vulnerable groups, especially Roma. In support of the June 2004 local elections, the program helped increase the dialogue between civic groups and political parties. In specific counties USAID trained campaign managers to identify the concerns of key groups of voters and to inform the voters about the candidates' messages and party policies. The Rule of Law program supported the new legislation for the professional standing and activities of judges and prosecutors. A judicial legislative reform package was adopted in June 2004, and a code of ethics for court staff was drafted.

By the end of USAID's democratic governance assistance in Romania, improved local public services will be supported by increased local revenues and community involvement, and effective public-private partnerships. NGOs will present community needs more effectively to local administrations and will play an active role in reducing corruption, by monitoring local governments' and elected officials' performance. Local party branches will be financially transparent and more responsive to citizens' needs. The judiciary will be more independent and transparent, due to a stronger Superior Council of Magistrates and increased ethical awareness and behavior by judges and court clerks. The courts will have a national system of random case assignment and computerized records that will make the courts more transparent and efficient and less corrupt.

US Financing in Thousands of Dollars

Romania

186-0230 Improved Local Democratic Governance	AEEB
Through September 30, 2003	
Obligations	33,851
Expenditures	24,035
Unliquidated	9,816
Fiscal Year 2004	
Obligations	6,818
Expenditures	9,199
Through September 30, 2004	
Obligations	40,669
Expenditures	33,234
Unliquidated	7,435
Prior Year Unobligated Funds	
Obligations	1,590
Planned Fiscal Year 2005 NOA	
Obligations	7,550
Total Planned Fiscal Year 2005	
Obligations	9,140
Proposed Fiscal Year 2006 NOA	
Obligations	6,000
Future Obligations	0
Est. Total Cost	55,809

Data Sheet

USAID Mission:	Romania
Program Title:	Child Welfare and Women's Health Care Reform
Pillar:	Global Health
Strategic Objective:	186-0340
Status:	Continuing
Planned FY 2005 Obligation:	\$6,050,000 AEEB
Prior Year Unobligated:	\$1,892,000 AEEB
Proposed FY 2006 Obligation:	\$4,300,000 AEEB
Year of Initial Obligation:	2002
Estimated Year of Final Obligation:	2007

Summary: USAID is improving child survival and health, reducing unintended pregnancies and abortions, and also reducing the transmission and impact of HIV/AIDS. SEED-funded projects are improving policies, legislation and quality of services, training a professional cadre in child welfare and reproductive health, and educating the public and decision-makers. USAID provides technical assistance and training to non-governmental organization (NGO) and government staff, and make grants to NGOs to produce the desired results.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Child Survival, Health and Nutrition (\$3,190,000 AEEB, \$100,000 AEEB carryover). USAID will continue to assist NGOs that are reforming the child welfare system. The 45 NGOs that are implementing U.S. funded grants will continue to receive technical assistance to improve their management, public relations, and fund-raising. Twenty of the NGOs provide rehabilitation services for children with disabilities and nine provide life skills training for adolescents graduating from institutions, helping to prevent human trafficking for this at-risk group. Other NGOs complement community-based services dealing with domestic adoption, family care for severely disabled children, prevention of child trafficking, and child abuse. USAID will continue to train child welfare professionals, including specialized staff to work with disabled children. The recently legislated service standards will be implemented nationally. Development of the national child welfare monitoring system will be completed. Integration of the mentally disabled children will be promoted through an existing grant to Special Olympics. Assistance to community boards for preventing child abandonment will continue in 10 of 41 counties. Partners: World Learning, U.S. Department of Health and Human Services, Special Olympics (primes) and NGOs.

Reduce Unintended Pregnancy and Improve Healthy Reproductive Behavior (\$1,610,000 AEEB, \$209,000 AEEB carryover, \$83,000 AEEB prior year recoveries). USAID will continue to improve access to and quality of primary reproductive health services throughout the nation. Technical assistance and training will be provided to more than 1,300 family doctors and nurses and more than 200 Roma health mediators and community nurses. USAID will assist with the implementation of national strategies for reproductive health, domestic violence, and early detection of cervical cancer. Three public awareness campaigns will be completed. The safe motherhood program will be extended to 400 primary health staff. The project will increase access to and use of family planning and reproductive health services for poor women in 11 cities and approximate 100 Roma communities. Partners: John Snow Inc (prime); Romanian Society for Contraception and Sex Education; Population Services International; the Youth-for-Youth Foundation (subs.).

Reduce Transmission and Impact of HIV/AIDS (\$500,000 AEEB, \$1,000,000 AEEB carryover). USAID will extend and strengthen the existing AIDS testing and counseling services in smaller communities in close coordination with recipients of assistance from the Global Fund to fight AIDS, TB, and Malaria. A national campaign to combat stigma and discrimination will be funded. Outreach programs for street children, Roma, the underserved rural poor, and youth will be continued. USAID will support the National Union of Organizations of People living with HIV/AIDS to monitor rights violation in the area of HIV/AIDS. USAID will assist the Romanian Orthodox Church train more than 11,000 priests and 12,000 religion teachers to carry AIDS education among parishioners and high school children. Partners: same as previous section plus; Romanian Orthodox Church; IOCC (International Orthodox Christian Charities); National Union of

Organizations of People living with HIV/AIDS.

Build Health Systems Capacity (\$750,000 AEEB, \$500,000 AEEB prior year recoveries). USAID will assist with the development of private health insurance legislation and regulations concerning quality standards and consumer protection and provide training in business management of medical private clinics and medical plans. Partner: Abt Associates Inc (prime).

FY 2006 Program: Improve Child Survival, Health and Nutrition (\$1,800,000 AEEB). USAID will work with central and local authorities and NGOs to sustain community services. In the anticipation of the phase-out of USAID funding, advisors will complete assistance on technical aspects of service provision and focus more on helping NGOs to develop business plans, manage their finance and raise resources to sustain their service programs. USAID will also help the ProChild Federation develop its advocacy role and become a more influential player in the national arena. USAID will continue to support the development of a social work profession, with an increased emphasis on volunteerism and building community support for welfare programs.

Reduce Unintended Pregnancy and Improve Healthy Reproductive Behavior (\$1,000,000 AEEB). USAID's assistance will support further legislative reform and an increase in the public health budget for family planning and reproductive health services. The program will help to introduce a new reproductive health curriculum in all medical schools. Several national public campaigns about reproductive health will be organized. USAID will focus more on sustaining successful programs and reforming legislation governing public-private partnerships for community social services.

Reduce Transmission and Impact of HIV/AIDS (\$500,000 AEEB). USAID will continue to assist the programs and campaigns of current partners to prevent the spread of HIV/AIDS through high-risk groups.

Build Health System Capacity (\$1,000,000 AEEB). USAID will continue to assist with the development of private health insurance legislation and regulations concerning quality standards and consumer protection and provide training in business management of medical private clinics and medical plans. Assistance will be extended to aiding the National Health Insurance Fund improving the competitiveness and transparency of the pharmaceutical procurement systems. Partner: TBD.

The prime contractors and grantees in FY 2006 are the same as those for FY 2005.

Performance and Results: In FY 2004, the abortion rate continued to drop and for the first time since 1990 there were fewer abortions than live births - 948 abortions per 1000 live births, compared with 1054 abortions per 1000 births in 2003. Following the successful implementation of the National Sexual and Reproductive Health Strategy, developed in 2002, more than 2,800 trained general practitioners in all 41 counties are providing family planning services. The budget allocation from MOH for the National Family Planning Program was over \$1 million in 2004.

USAID contributed to reducing the number of children in institutional care by 15% (4,753 children), closing 60 of the institutions that house more than 50 children each. Reformed standards for all child welfare services were legislated. Child welfare programs, funded with \$4 million from the GOR budget to the National Authority for Child Protection and Adoption, were implemented by NGOs. Community boards to protect children and other vulnerable community members were created in another 10 counties. Following the success of the pilot boards, the National Association for Child Protection and Adoption has included a provision in new legislation requiring all local authorities nationwide to create community boards. USAID's technical support to the Ministry of Health for contraceptive logistics and procurement systems resulted in \$700,000 in savings. Ministry staff also gained a better understanding of the country's contraceptive needs and more efficient commodities procurement. "Among Us Women" contraceptive sessions, reached over 70,000 working women in over 40 factories in 20 counties in FY04. Evaluations of the USAID-funded AIDS campaign revealed a high level of advertising awareness (60%), high TV clip performance indicators - (clarity 98%, persuasiveness 94%, and likeability 98%), with 67% of respondents identifying with the anti-discrimination message in the TV clip.

US Financing in Thousands of Dollars

Romania

186-0340 Child Welfare and Women's Health Care Reform	AEEB	CSH
Through September 30, 2003		
Obligations	13,642	0
Expenditures	6,182	0
Unliquidated	7,460	0
Fiscal Year 2004		
Obligations	5,178	4,000
Expenditures	6,828	0
Through September 30, 2004		
Obligations	18,820	4,000
Expenditures	13,010	0
Unliquidated	5,810	4,000
Prior Year Unobligated Funds		
Obligations	1,892	0
Planned Fiscal Year 2005 NOA		
Obligations	6,050	0
Total Planned Fiscal Year 2005		
Obligations	7,942	0
Proposed Fiscal Year 2006 NOA		
Obligations	4,300	0
Future Obligations	0	0
Est. Total Cost	31,062	4,000